

PAKISTAN

DESTINATION GUIDE

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INTRODUCTION

This guide provides a clear and practical overview for **local and foreign employees, employers, and investors** operating in the country. It covers the full employment lifecycle – from hiring and work permits to payroll, social security, taxation, termination, healthcare, education, and business setup.

Designed to support both **local workforce management and international talent mobility**, the guide explains statutory obligations, employee rights, and employer responsibilities under labor, tax, and social security regulations. It also supports business owners by outlining company formation, accounting, and ongoing compliance requirements.

Powered by **Gini Talent** and **Gini Finance**, this guide reflects real-world operational expertise:

- **Gini Talent** enables compliant hiring through recruitment, Employer of Record (EOR), payroll, and work permit services.
- **Gini Finance** ensures financial, tax, and accounting compliance with local regulations.

Together, they provide an end-to-end solution that helps organizations and professionals operate confidently, compliantly, and efficiently.



WORK PERMIT & WORKING CONDITIONS

Working legally in Pakistan requires compliance with **immigration regulations, work visa requirements, labor laws, payroll obligations, and social security registrations**. Pakistani nationals may work freely without permits, while foreign nationals must obtain appropriate work authorization before commencing employment.

This section outlines work permit and visa types, eligibility criteria, application procedures, and working conditions applicable to **both foreign and local employees** and employers operating in Pakistan.

EMPLOYMENT AUTHORIZATION IN PAKISTAN

- **Pakistani nationals** are not subject to work permit or visa requirements and may be employed directly upon completion of labor and social security registration.
- **Foreign nationals** must obtain a valid **Work Visa** and residence authorization before legally starting employment in Pakistan.

Work authorization is regulated by the **Ministry of Interior** in coordination with the **Board of Investment (BOI)** and Pakistani diplomatic missions abroad.

TYPES OF WORK AUTHORIZATION IN PAKISTAN

Pakistan does not issue a separate “work permit” card; instead, employment authorization is granted through **work visas**.

Work Visa

- Issued initially for **up to 1 year**
- Renewable annually, subject to approval
- Issued for employment with a **specific sponsoring employer**
- Tied to job role and location

Business / Investor Visa

Issued to foreign nationals who:

- Establish or invest in a registered Pakistani company
- Hold shares or directorship positions
- Demonstrate economic contribution
- Maintain full tax and corporate compliance

Business visas may be granted for **multiple years**, depending on investment volume and BOI approval.

HOW TO APPLY FOR A WORK VISA IN PAKISTAN

For Foreign Employees Outside Pakistan

- The employer applies for work visa approval through the **Board of Investment (BOI)**.
- Security clearance and background checks are conducted.
- Upon approval, the employee applies for a work visa at a Pakistani embassy or consulate.
- Employment may begin only after entry with the approved work visa.

For Foreign Employees Already in Pakistan

- Visa conversion or extension may be requested through BOI and the Ministry of Interior.
- Valid legal stay is required during the application process.
- Employment may commence only after official visa endorsement.

WORK VISA ELIGIBILITY REQUIREMENTS IN PAKISTAN

Employer Requirements

- The company must be legally registered in Pakistan.
- Full compliance with:
 - Tax registration
 - Labor law obligations
 - Social security and EOBI (Employees' Old-Age Benefits Institution), where applicable
- Justification for hiring foreign expertise may be required.

Employee Requirements (Foreign Nationals)

- Relevant professional qualifications and experience
- Authenticated academic and professional certificates
- Clean security and background record
- Valid passport and medical fitness

Certain roles in sensitive sectors may be restricted or subject to enhanced security clearance.

REQUIRED DOCUMENTS FOR PAKISTAN WORK VISA APPLICATIONS

Foreign Employee Documents

- Passport (minimum 6-12 months validity)
- Completed visa application form
- Employment contract or assignment letter
- CV and professional profile
- Attested academic and professional certificates
- Police clearance (if required)
- Medical examination report

Employer Documents

- Company registration documents
- BOI sponsorship / recommendation letter
- Employment justification letter
- Organizational chart
- Tax registration and compliance records

WORK VISA RENEWAL IN PAKISTAN

- Renewals must be initiated before visa expiry.
- Updated employer sponsorship and compliance documents may be required.
- Continued compliance with immigration, tax, and labor regulations is mandatory.
- Security-sensitive industries may be subject to additional review

WORKING CONDITIONS IN PAKISTAN

Pakistani labor laws apply to both local and foreign employees unless specific exemptions apply.

Working Hours

- Standard working hours: **8 hours per day**
- Maximum: **48 hours per week**
- Overtime subject to statutory limits and additional compensation

Leave Entitlements

- Paid annual leave as per labor law
- Paid public holidays
- Sick leave governed by medical certification
- Maternity and family-related leave regulated by applicable labor legislation

Payroll & Social Security

- Salaries must be paid according to employment contracts
- Payroll must reflect:
 - Accurate wage reporting
 - Income tax withholding
 - Social security and EOBI contributions (where applicable)
- Misreporting wages is a major compliance risk

COMMON COMPLIANCE RISKS IN PAKISTAN

- Employing foreign nationals without valid work visas
- Working outside the approved job role or employer
- Overstaying or late visa renewals
- Non-compliance with tax or social security obligations
- Incomplete BOI approvals

Violations may result in:

- Fines and penalties
- Visa cancellation
- Employment suspension
- Immigration restrictions or blacklisting

WHY PAKISTAN FOR EMPLOYMENT & BUSINESS OPERATIONS?

- Large and young labor force
- Competitive employment costs
- Strategic location connecting South Asia, the Middle East, and Central Asia
- Growing IT, manufacturing, construction, and services sectors
- Government-supported foreign investment and business facilitation mechanisms

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SOCIAL SECURITY & SOCIAL INSURANCE IN PAKISTAN

Pakistan's social security system provides mandatory protection for eligible employees through several statutory schemes administered at federal and provincial levels.

Social security compliance is a key employer obligation and forms an essential part of employment, payroll, and immigration compliance for **both local and foreign employees**, where applicable.

APPLICABILITY OF SOCIAL SECURITY: LOCAL VS. FOREIGN EMPLOYEES

Pakistani (Local) Employees

- Social security registration is **mandatory** for employees covered under applicable labor laws.
- Coverage generally applies from the **first day of employment**.
- Employers must declare wages and pay statutory contributions.

Foreign Employees

- Foreign nationals legally employed in Pakistan **may be subject to social security registration**, depending on:
 - Employment structure
 - Contract type
 - Provincial regulations
- In practice, foreign employees are often **excluded from certain schemes**, but tax and payroll compliance remains mandatory.
- No comprehensive bilateral social security agreements currently exempt foreign employees by default.

MANDATORY SOCIAL SECURITY SCHEMES IN PAKISTAN

Social security obligations vary by province and employment category. The main schemes include:

Provincial Social Security Institutions (PESSI, SESSI, etc.)

- Cover:
 - Workplace injury benefits
 - Disability compensation
 - Limited medical care through social security hospitals
- Registration is mandatory for covered employers operating within the province.

Employees' Old-Age Benefits Institution (EOBI)

- Provides:
 - Old-age pension
 - Survivor benefits
 - Invalidity benefits
- Applies to establishments meeting statutory employee thresholds

EMPLOYER OBLIGATIONS FOR SOCIAL SECURITY REGISTRATION

Employers are legally responsible for:

- Registering eligible employees with relevant social security institutions
- Declaring accurate wages
- Filing periodic contribution returns
- Paying employer contributions on time
- Maintaining employment and payroll records

Failure to comply may result in:

- Financial penalties
- Retroactive contribution assessments
- Labor inspections
- Increased scrutiny during immigration or tax audits

SCOPE OF SOCIAL SECURITY COVERAGE IN PAKISTAN

Once registered, eligible employees may receive benefits such as:

- Old-age and retirement pensions (EOBI)
- Disability benefits
- Survivor benefits
- Work injury compensation
- Limited medical treatment through social security facilities

Important Healthcare Distinction

Pakistan's social security medical coverage is **limited in scope and quality**.

As a result:

- Employers frequently provide **private health insurance**
- Foreign employees typically rely on **employer-sponsored or private medical plans**

SOCIAL SECURITY CONTRIBUTION RATES IN PAKISTAN (INDICATIVE)

Contribution rates vary by province and scheme.

Typical structure:

- **Employer contribution:**
 - EOBI: approx. 5% of minimum wage
 - Provincial social security: approx. 6-7% (varies)
- **Employee contribution:**
 - Generally minimal or not applicable under most schemes

All contributions must be:

- Declared periodically
- Paid within statutory deadlines.

ROLE OF SOCIAL SECURITY IN EMPLOYMENT & IMMIGRATION COMPLIANCE

- Social security registration is separate from visa issuance.
- Employers may be required to demonstrate compliance during:
 - Labor inspections
 - Business audits
 - Corporate compliance reviews
- While not always mandatory for foreign employees, non-compliance may still create operational and reputational risks

SOCIAL SECURITY EXIT PROCEDURES UPON EMPLOYMENT TERMINATION

Upon termination:

- Employees must be deregistered from social security schemes
- Final contribution returns must be filed
- Outstanding liabilities must be settled

Employees may request:

- Contribution or service records for future reference

Foreign employees must also ensure:

- Proper closure of payroll and tax records
- Compliance with visa and residence conditions

SOCIAL SECURITY VS. PRIVATE HEALTH INSURANCE IN PAKISTAN

Feature	Pakistan Social Security	Private Health Insurance
Mandatory with employment	✓ Yes (where applicable)	✗ No
Covers retirement	✓ Yes (EOBI)	✗ No
Covers work injuries	✓ Yes	✗ No
Provides full healthcare	✗ Limited	✓ Yes
Suitable for foreign staff	⚠ Limited	✓ Preferred
Supplementary coverage	✗ No	✓ Yes

Private health insurance is therefore widely used as a **complementary or primary solution**, especially for foreign employees.

COMMON SOCIAL SECURITY COMPLIANCE RISKS IN PAKISTAN

- Failure to register eligible employees
- Incorrect wage declarations
- Late or unpaid contributions
- Misclassification of employees
- Lack of provincial registrations

These may lead to:

- Fines and penalties
- Backdated contribution liabilities
- Labor disputes
- Increased regulatory scrutiny

WHY SOCIAL SECURITY COMPLIANCE MATTERS IN PAKISTAN

Proper compliance ensures:

- Lawful employment practices
- Protection against work-related risks
- Retirement and disability coverage for eligible staff
- Reduced exposure to labor and tax audits
- Transparent and compliant payroll operations

TAXATION OF EMPLOYEES AND EMPLOYERS IN PAKISTAN

Pakistan's taxation system is administered by the **Federal Board of Revenue (FBR)** and applies to both Pakistani nationals and foreign employees earning income from Pakistan-sourced employment.

TAX RESIDENCY STATUS IN PAKISTAN

Tax Residents

- Individuals present in Pakistan for:
- **183 days or more** in a tax year, or
- Meeting other residency criteria under tax law

Residents are taxed on **Pakistan-sourced income.**

Non-Residents

- Taxed only on income earned for work performed in Pakistan
- Subject to withholding tax mechanisms

INCOME TAX ON SALARIES (PAYROLL WITHHOLDING SYSTEM)

All employees working in Pakistan are subject to income tax through the **salary withholding system**.

Employer Responsibilities

Employers must:

- Calculate monthly income tax based on progressive tax slabs
- Withhold tax from salaries
- File monthly withholding statements
- Pay taxes within statutory deadlines

Employees receive net salary after statutory deductions

OTHER MANDATORY PAYROLL DEDUCTIONS

In addition to income tax:

- Social security contributions (where applicable)
- EOBI contributions
- Provincial labor-related levies (if applicable)

All payroll deductions must be:

- Accurately reported
- Properly documented
- Paid on time

CORPORATE TAX OBLIGATIONS RELATED TO EMPLOYMENT

Employers must comply with:

- Corporate Income Tax (CIT)
- Salary withholding tax filings
- Social security and EOBI declarations
- Annual tax returns and reconciliations

Non-compliance may result in:

- Penalties and interest
- Audit exposure
- Business operation risks

DOUBLE TAXATION AVOIDANCE AGREEMENTS (DTAS)

Pakistan has signed **Double Taxation Avoidance Agreements (DTAs)** with multiple countries.

DTAs may provide:

- Relief from double taxation
- Reduced withholding rates
- Clarification of taxing rights

To apply treaty benefits, employees may need:

- Tax Residency Certificate from their home country
- Supporting documentation requested by the FBR

NATIONAL TAX NUMBER (NTN)

All individuals and entities engaged in taxable activities in Pakistan must obtain a **National Tax Number (NTN)**.

An NTN is required for:

- Payroll registration
- Salary tax reporting
- Opening bank accounts
- Corporate and compliance filings

Employers typically assist foreign employees during onboarding.

TERMINATION, SEVERANCE & TAXATION

Upon employment termination:

- Severance payments may be taxable
- Unused leave compensation is generally taxable
- Final payroll tax must be calculated and declared
- Tax and social security records must be closed properly

Failure to finalize obligations may create:

- Penalties
- Future compliance exposure
- Issues in audits or visa processes

COMMON TAX COMPLIANCE RISKS IN PAKISTAN

- Incorrect tax residency classification
- Underreported salaries or benefits
- Late payroll tax filings
- Incorrect application of DTA provisions
- Mismatch between payroll, tax, and social security records

WHY TAX COMPLIANCE MATTERS IN PAKISTAN

Proper tax compliance ensures:

- Lawful employment of local and foreign staff
- Financial transparency
- Reduced penalty and audit risk
- Smooth business operations
- Strong corporate governance

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EMPLOYMENT TERMINATION

Employment termination in Pakistan is governed primarily by the **Industrial and Commercial Employment (Standing Orders) Ordinance, 1968**, relevant **provincial labor laws**, and applicable employment contracts. Termination rules apply to both Pakistani nationals and foreign employees legally working under a valid employment relationship.

Employers and employees must comply with statutory requirements related to termination grounds, notice periods, severance and gratuity entitlements, documentation, and regulatory notifications. Improper termination may expose employers to labor disputes, financial liabilities, and regulatory sanctions.

TYPES OF EMPLOYMENT TERMINATION IN PAKISTAN

Employment relationships in Pakistan may be terminated through the following methods:

- Resignation by the employee
- Termination by the employer (with or without justified cause)
- Mutual separation agreement
- Expiration of a fixed-term employment contract
- Retirement
- Redundancy or economic / operational necessity
- Misconduct or disciplinary dismissal

Each termination type carries different legal consequences in terms of notice requirements, compensation, and end-of-service benefits.

JUSTIFIED VS. UNJUSTIFIED TERMINATION

Employer-Initiated Termination – Just Cause

Employers may terminate employment for legally justified reasons, including:

- Gross misconduct or serious violation of workplace rules
- Theft, fraud, dishonesty, or insubordination
- Persistent poor performance after due warning
- Breach of employment contract
- Willful negligence or damage to employer property
- Proven incapacity or medical unfitness preventing continuation of work

In cases of justified termination, the employer may dismiss the employee **without notice or severance**, provided that:

- Due disciplinary process is followed
- Show-cause notices and inquiry procedures are properly documented

Failure to follow due process may invalidate the termination even if misconduct exists.

JUSTIFIED VS. UNJUSTIFIED TERMINATION

Employer-Initiated Termination – Without Just Cause

If termination occurs without lawful justification or without following statutory procedure, it is treated as **unlawful or arbitrary termination**.

In such cases, employers may be required to provide:

- Notice pay in lieu of notice
- Severance or termination benefits
- Gratuity (where applicable)
- Compensation awarded by labor courts
- Reinstatement orders in certain cases

Labor courts assess remedies based on:

- Length of service
- Last drawn salary
- Nature of termination
- Employer's compliance with legal procedure

JUSTIFIED VS. UNJUSTIFIED TERMINATION

Employee-Initiated Termination – Just Cause

Employees may resign without notice if justified grounds exist, such as:

- Non-payment or chronic delay of wages
- Harassment or unsafe working conditions
- Employer's material breach of contractual or statutory obligations

Depending on circumstances, employees may still retain entitlement to accrued benefits

STATUTORY NOTICE PERIODS IN PAKISTAN

Unless termination is based on misconduct, statutory notice requirements generally apply:

- **Permanent employees:**
 - 1 month's notice or payment in lieu of notice
- **Contractual / fixed-term employees:**
 - As per employment contract terms

If notice is not provided, the terminating party must pay salary equivalent to the notice period.

PROBATIONARY PERIOD AND TERMINATION

- Probationary period typically ranges from **3 to 6 months**
- Must be expressly stated in the employment contract
- During probation:
 - Employment may be terminated with shorter notice
 - Severance and gratuity generally do not apply
 - Termination must still be non-discriminatory and lawful

SEVERANCE, GRATUITY, AND END-OF-SERVICE BENEFITS IN PAKISTAN

End-of-service entitlements depend on employment structure and company policy.

Employees may be entitled to:

- **Gratuity** (commonly 30 days' wages per completed year of service), if:
 - Provided under company rules or contract, and
 - No provident fund is in place
- **Provident fund benefits**, where applicable
- **Notice pay**, if notice is not served
- **Accrued but unused leave encashment**

There is no universal statutory severance formula; benefits depend on:

- Standing Orders applicability
- Contractual terms
- Internal company policies
- Labor court determinations

REDUNDANCY AND ECONOMIC TERMINATION

In cases of redundancy, downsizing, or operational necessity, employers must:

- Demonstrate genuine economic or operational reasons
- Apply objective and non-discriminatory selection criteria
- Provide statutory notice or notice pay
- Settle all end-of-service benefits

Failure to justify redundancy may result in:

- Unlawful termination claims
- Compensation awards
- Reinstatement orders

TERMINATION OF FOREIGN EMPLOYEES IN PAKISTAN

For foreign employees holding valid work visas:

- Termination must be reflected in company employment records
- Payroll, tax, and social security obligations must be finalized
- Visa status must be addressed:
 - Visa cancellation, or
 - Visa modification through a new sponsor

Foreign employees must ensure lawful stay after termination. Non-compliance may lead to immigration penalties for both employer and employee

FINAL PAYROLL AND EMPLOYER OBLIGATIONS AFTER TERMINATION

Upon termination, employers must complete:

- Payment of outstanding salaries
- Notice pay (if applicable)
- Gratuity or provident fund settlements
- Payment for unused annual leave
- Final income tax withholding and reporting

Additionally, employers must ensure:

- Closure of payroll records
- Social security and EOBI deregistration (where applicable)
- Issuance of service certificates or experience letters upon request

All settlements must be completed accurately and in a timely manner

COMMON EMPLOYMENT TERMINATION COMPLIANCE RISKS IN PAKISTAN

Common risks include:

- Lack of proper disciplinary documentation
- Failure to follow inquiry procedures
- Incorrect notice or gratuity calculations
- Misclassification of employee status
- Delayed final settlements
- Inconsistencies between payroll, tax, and labor records

These risks may result in:

- Labor court disputes
- Financial penalties and compensation awards
- Reinstatement orders
- Reputational and operational exposure

WHY PROPER TERMINATION COMPLIANCE MATTERS IN PAKISTAN

Proper termination compliance ensures:

- Legal protection for employers
- Fair and transparent treatment of employees
- Reduced litigation and financial risk
- Predictable workforce transitions
- Alignment with Pakistani labor and employment regulations

EDUCATION OPTIONS FOR CHILDREN IN PAKISTAN

Education is a key consideration for both **local families and foreign professionals living in Pakistan**. The country offers a wide range of **public, private, and international education institutions**, supporting Urdu, English, and multilingual instruction, internationally recognized curricula, and diverse academic pathways.

Pakistan's education system serves long-term residents, expatriate families, and internationally mobile students.

PUBLIC SCHOOLS IN PAKISTAN

Public schools in Pakistan are primarily designed for local students but may accept foreign children under certain conditions, usually requiring a valid residence visa.

Key features:

- Curriculum regulated by federal and provincial education authorities
- Primary languages of instruction: **Urdu and regional languages**
- English introduced progressively at higher grade levels
- Extensive nationwide availability, including major cities and regional centers

Public schools are commonly chosen by Pakistani families. However, language barriers and curriculum differences may present challenges for non-Urdu-speaking foreign students

PRIVATE SCHOOLS IN PAKISTAN

Private schools play a major role in Pakistan's education system and are widely attended by both local and expatriate families.

Highlights:

- **English-medium or bilingual instruction**
- Smaller class sizes and modern facilities
- National and international academic programs
- Strong preparation for local and overseas university admissions

Private schools include elite English-medium schools, Cambridge-track institutions, and STEM-focused academies. They are often preferred for their academic standards and English-language instruction.

INTERNATIONAL SCHOOLS IN PAKISTAN

Pakistan has a growing network of international schools catering to expatriate families and globally oriented local students.

Common curricula include:

- **British Curriculum (IGCSE / A-Level)**
- **International Baccalaureate (IB) (limited but growing availability)**
- **American High School Diploma**
- Other international or blended programs

International schools are mainly located in major urban and diplomatic hubs:

- **Islamabad**
- **Lahore**
- **Karachi**

These schools are the preferred choice for internationally mobile families and students planning to pursue higher education abroad.

PRESCHOOL AND EARLY CHILDHOOD EDUCATION

Pakistan offers a wide range of early childhood education options for both local and foreign families.

Available options include:

- Private kindergartens and nurseries
- Montessori and play-based learning programs
- English-medium and bilingual preschools
- International early-years programs in major cities

Enrollment typically begins between **2 and 3 years of age**, depending on the institution.

HIGHER EDUCATION OPPORTUNITIES IN PAKISTAN

Students completing primary and secondary education in Pakistan have access to a large and well-established higher education sector.

Key institutions include:

- **Lahore University of Management Sciences (LUMS)**
- **Aga Khan University**
- **National University of Sciences & Technology (NUST)**
- **University of Karachi**
- **Quaid-i-Azam University**

Advantages:

- English-medium undergraduate and postgraduate programs
- Internationally recognized degrees
- Competitive tuition fees
- Growing international student population
- Scholarships for high-performing local and international students

SPECIAL EDUCATION SERVICES (SEN)

Pakistan offers expanding support for children with special educational needs (SEN), particularly in private and international schools.

Available services include:

- SEN units within select private and international schools
- Learning support and inclusion programs
- Specialized therapy and assessment centers
- Individualized learning plans
- Speech, occupational, and behavioral therapy services

Availability varies by institution, and schools may require prior evaluations or medical documentation.

DOCUMENTATION AND ENROLLMENT REQUIREMENTS

Enrollment requirements vary by school type but generally include:

- Child's passport or national ID
- Valid visa or residence status (for foreign students)
- Previous school records or transcripts
- School transfer or leaving certificates
- Immunization and medical records
- Entrance assessments or placement tests
- Equivalency documentation for grade placement (if applicable)

Private and international schools may also require interviews or academic evaluations.

WHY PAKISTAN IS A STRONG EDUCATION DESTINATION

- Wide range of public, private, and international schools
- Strong English-medium education options
- British and international curricula widely available
- Affordable private and international education compared to many global cities
- Recognized university pathways locally and abroad
- Established expatriate and diplomatic communities in major cities

HEALTHCARE OPTIONS IN PAKISTAN

Pakistan offers a diverse and well-established healthcare system serving both **local residents and foreign professionals**. The healthcare landscape consists of **public hospitals, private medical institutions, and internationally recognized hospitals**, providing accessible and cost-effective care across a wide range of medical specialties.

Major cities host advanced medical facilities supported by experienced healthcare professionals and modern medical technology.

PUBLIC HEALTHCARE SYSTEM IN PAKISTAN

Pakistan's public healthcare system is administered by federal and provincial health departments and serves a large portion of the local population.

Key features:

- Access to government hospitals, teaching hospitals, and basic health units
- Low-cost or subsidized consultations, treatments, and emergency services
- Coverage for maternity care, vaccinations, infectious disease treatment, and chronic illness management
- Nationwide availability in urban centers and rural areas

Public healthcare remains essential due to its affordability, though service quality, infrastructure, and waiting times may vary significantly by region. Foreign residents often use public healthcare primarily for emergencies or basic services.

PRIVATE HEALTHCARE SERVICES

Private healthcare is the preferred option for expatriates and higher-income local residents due to superior service standards and shorter waiting times.

Advantages include:

- English-speaking doctors and healthcare staff in major cities
- Modern hospitals with advanced diagnostic, surgical, and intensive care facilities
- Faster access to specialists and elective procedures
- International patient departments and concierge services
- Strong private hospital networks in **Islamabad, Lahore, Karachi, and other major cities**

Private hospitals frequently work with local and international insurance providers, offering direct billing and cashless treatment options.

INTERNATIONAL HOSPITALS AND EXPAT-FOCUSED CLINICS

Pakistan hosts several internationally recognized hospitals and clinics that cater to expatriates and internationally mobile families.

Common features include:

- Multilingual medical teams (English and Urdu; additional languages in select facilities)
- Comprehensive outpatient and inpatient services
- 24/7 emergency and trauma care
- Specialized departments such as pediatrics, cardiology, orthopedics, OB-GYN, dentistry, dermatology, oncology, fertility, and internal medicine
- Advanced diagnostic imaging and laboratory services

These facilities are also widely used by local residents seeking premium healthcare services.

HEALTH INSURANCE LANDSCAPE IN PAKISTAN

Health insurance coverage differs for local and foreign employees.

- Public healthcare is available at low cost but is **not insurance-based**.
- Employer-provided health insurance is common in the private sector.
- Foreign employees typically rely on:
 - Employer-sponsored private health insurance
 - Individual private medical insurance
 - International health insurance plans for regional or global coverage

Private health insurance is strongly recommended to ensure access to top-tier private and international hospitals.

MATERNITY AND FAMILY HEALTHCARE

Pakistan offers a wide range of maternity and family healthcare services for both local and foreign families.

Services include:

- Prenatal and postnatal care
- Specialized maternity hospitals and private birthing centers
- English-speaking obstetricians, gynecologists, and pediatricians
- National immunization programs aligned with WHO guidelines
- Routine child health monitoring and developmental screenings

Private hospitals are generally preferred for childbirth due to higher standards of comfort, hygiene, and personalized care.

EMERGENCY AND URGENT CARE SERVICES

Emergency medical services are available nationwide.

Emergency services include:

- Government and private ambulance services (e.g., Rescue **1122** in many provinces)
- Emergency departments in public and private hospitals
- Trauma, cardiac, and surgical emergency care
- 24/7 urgent care units in major cities

Emergency treatment is typically provided regardless of insurance status, though private facilities may require upfront payment or insurance verification.

PHARMACEUTICALS AND MEDICATION ACCESS

Pakistan has an extensive and accessible pharmacy network.

Key features:

- Pharmacies widely available in cities and towns
- Many pharmacies operate extended hours or 24/7 in urban areas
- English-speaking pharmacists in major cities
- Affordable medication prices compared to Europe and North America
- Availability of both local generics and international pharmaceutical brands

Prescription requirements vary by medication, and some drugs may be available over the counter.

MEDICAL TOURISM AND SPECIALIZED TREATMENTS

Pakistan is increasingly recognized for specialized and cost-effective medical treatments.

Popular treatment areas include:

- Cardiology and cardiac surgery
- Orthopedics and trauma care
- Fertility treatments and IVF
- Dentistry
- Oncology services
- Cosmetic and reconstructive surgery

Patients benefit from competitive pricing, skilled specialists, and internationally trained medical professionals.

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WHY PAKISTAN IS A STRONG HEALTHCARE DESTINATION

- Broad network of public and private healthcare institutions
- Affordable medical services for residents and expatriates
- Wide availability of English-speaking healthcare professionals
- Growing number of international-standard hospitals
- Strong pharmaceutical manufacturing and supply chain
- Comprehensive emergency and specialized medical care

PAID PUBLIC HOLIDAYS

Holiday Name	Urdu Name	Date	Type	Description
Kashmir Day	يوم يکجهتی کشمیر	February 5	National	Commemorates solidarity with the people of Kashmir.
Pakistan Day	يوم پاکستان	March 23	National	Marks the Lahore Resolution and the adoption of the first constitution.
Labour Day	يوم مزدور	May 1	National	Celebrates workers' rights and contributions.
Independence Day	يوم آزادی	August 14	National	Celebrates Pakistan's independence in 1947.
Defence Day	يوم دفاع	September 6	National	Honors the armed forces and national defense.
Iqbal Day	يوم اقبال	November 9	National	Commemorates the birth of Allama Muhammad Iqbal.
Quaid-e-Azam Day	يوم قائد اعظم	December 25	National	Marks the birth anniversary of Muhammad Ali Jinnah, founder of Pakistan.
Eid ul-Fitr	عيد الفطر	Variable	Religious	Celebrates the end of Ramadan; typically 2-3 consecutive public holidays.
Eid ul-Adha	عيد الاضحی	Variable	Religious	Festival of sacrifice; usually observed over 2-3 public holidays.
Ashura	يوم عاشورہ	Variable	Religious	Observed on the 9th and 10th of Muharram; public holidays for mourning and remembrance.
Eid Milad-un-Nabi	عيد ميلاد النبي ﷺ	Variable	Religious	Celebrates the birth of the Prophet Muhammad (PBUH).

Islamic holidays are based on the lunar calendar and official dates are announced annually by the government.

BUSINESS SETUP SERVICES

Establishing a business in Pakistan provides both local and foreign investors with access to a **large domestic market, a strategically located economy linking South Asia, the Middle East, and Central Asia, and a young, cost-competitive, and increasingly skilled workforce**. Pakistan allows **100% foreign ownership** in most sectors and has introduced investment facilitation measures to simplify company formation, licensing, and operational compliance.

Business setup services in Pakistan support entrepreneurs and international companies throughout the **legal, regulatory, tax, and operational establishment process**, ensuring full compliance with local laws from incorporation to ongoing operations.

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COMPANY FORMATION OPTIONS IN PAKISTAN

Investors may choose from several legal entity structures depending on their business objectives, liability preferences, and operational plans.

Common company types include:

- **Private Limited Company**
- **Public Limited Company**
- **Single Member Company (SMC)**
- **Branch Office**
- **Liaison (Representative) Office**

The **Private Limited Company** is the most commonly used structure due to limited liability protection, suitability for foreign ownership, and operational flexibility

COMPANY INCORPORATION PROCESS IN PAKISTAN

Company incorporation in Pakistan is regulated by the **Securities and Exchange Commission of Pakistan (SECP)**.

The incorporation process generally includes:

- Reservation of the company name
- Preparation and filing of incorporation documents
- Issuance of Certificate of Incorporation by SECP
- Registration with the Federal Board of Revenue (FBR)
- Obtaining a National Tax Number (NTN)
- Registration for Sales Tax (if applicable)

The incorporation timeline typically ranges from **1 to 3 weeks**, depending on the company type, shareholder structure, and sector-specific requirements.

MINIMUM CAPITAL REQUIREMENTS

Capital requirements depend on the legal entity type and business activity.

- **Private Limited Company / SMC:**
 - No general statutory minimum capital
- **Public Limited Company:**
 - Minimum capital requirements apply
- **Regulated sectors:**
 - Higher capital thresholds may be imposed by sector regulators

Capital may generally be injected after incorporation unless otherwise required by law or licensing authorities.

CORPORATE BANK ACCOUNT OPENING IN PAKISTAN

Following incorporation, companies must open a corporate bank account with a licensed Pakistani bank.

Typical requirements include:

- Certificate of Incorporation
- Memorandum and Articles of Association
- National Tax Number (NTN)
- Company registration documents
- Identification documents of directors and shareholders
- Board resolution and authorized signatory details

Banks apply strict KYC and due diligence procedures, particularly for foreign-owned companies, and timelines may vary.

TAX REGISTRATION & ONGOING TAX COMPLIANCE

All companies operating in Pakistan are subject to local tax regulations administered by the **Federal Board of Revenue (FBR)**.

Core tax obligations include:

- Corporate income tax registration
- Sales Tax registration (if applicable)
- Monthly and annual tax filings
- Withholding tax compliance
- Annual tax returns and financial statements

Proper tax registration must be completed before commencing commercial operations

PAYROLL & SOCIAL INSURANCE REGISTRATION

Employers in Pakistan must register with relevant social security institutions before hiring employees.

Employer obligations may include:

- Registration with provincial social security institutions
- Registration with the Employees' Old-Age Benefits Institution (EOBI)
- Payroll setup and reporting
- Payment of statutory contributions

Applicability depends on company size, location, and employee category. Foreign employees are generally subject to payroll tax compliance, while social security coverage may vary.

WORK VISAS & IMMIGRATION SUPPORT

Foreign nationals employed in Pakistan must hold valid **work visas** sponsored by the employing entity.

Business setup and immigration services typically include:

- Work visa sponsorship support
- Coordination with the Board of Investment (BOI)
- Visa issuance and extensions
- Compliance with immigration and security requirements

Employment may not legally commence without valid visa authorization.

ACCOUNTING, BOOKKEEPING & CORPORATE COMPLIANCE

Pakistani law requires companies to maintain proper accounting records in accordance with applicable accounting standards.

Ongoing compliance services include:

- Monthly bookkeeping
- Financial statement preparation
- Statutory audit coordination (where applicable)
- Annual corporate and tax filings
- Maintenance of corporate records

Non-compliance may result in penalties, fines, or increased audit exposure.

OFFICE ADDRESS & VIRTUAL OFFICE SOLUTIONS

Companies in Pakistan must maintain a registered office address.

Available solutions include:

- Physical office leasing
- Virtual office and registered address services
- Mail handling and official correspondence management

A registered address is required for SECP, tax authorities, and banking compliance.

SECTOR-SPECIFIC LICENSING & REGULATORY APPROVALS

Certain activities require additional licenses or regulatory approvals before commencing operations, including:

- Banking and financial services
- Information technology and telecommunications
- Healthcare and pharmaceuticals
- Education and training
- Energy, manufacturing, and industrial activities

Approvals must be obtained from relevant federal or provincial authorities prior to launch.

INVESTMENT INCENTIVES & SPECIAL ECONOMIC ZONES (SEZS)

Pakistan offers various investment incentives to attract foreign and strategic investment.

Incentive mechanisms include:

- **Special Economic Zones (SEZs)**
- Tax holidays and reduced tax rates for qualifying projects
- Customs duty exemptions
- Investment protection under investment promotion laws

Eligibility depends on sector, project location, investment size, and regulatory compliance.

WHY ESTABLISH A BUSINESS IN PAKISTAN?

- Large and growing domestic market
- Competitive labor costs and young workforce
- Strategic geographic location
- Expanding technology, outsourcing, and manufacturing sectors
- Government-supported investment incentives and SEZs